

From: Christine Bos [mailto:cbos@lbchamber.com]

Sent: Tuesday, July 28, 2020 5:51 PM

To: Mayor <Mayor@longbeach.gov>; Monique DeLaGarza <Monique.DeLaGarza@longbeach.gov>; CityClerk <CityClerk@longbeach.gov>; CityAttorney <CityAttorney@longbeach.gov>; Tom Modica <Tom.Modica@longbeach.gov>; Council District 1 <District1@longbeach.gov>; Jeannine Pearce <Jeannine.Pearce@longbeach.gov>; Council District 2 <District2@longbeach.gov>; Suzie Price <Suzie.Price@longbeach.gov>; Council District 3 <District3@longbeach.gov>; Daryl Supernaw <Daryl.Supernaw@longbeach.gov>; Council District 4 <District4@longbeach.gov>; Stacy Mungo <Stacy.Mungo@longbeach.gov>; Council District 5 <District5@longbeach.gov>; Dee Andrews <Dee.Andrews@longbeach.gov>; Council District 6 <District6@longbeach.gov>; Roberto Uranga <Roberto.Uranga@longbeach.gov>; Council District 7 <District7@longbeach.gov>; Al Austin <Al.Austin@longbeach.gov>; Council District 8 <District8@longbeach.gov>; Rex Richardson <Rex.Richardson@longbeach.gov>; Council District 9 <District9@longbeach.gov>

Cc: Diana Tang <Diana.Tang@longbeach.gov>; Celina Luna <Celina.Luna@longbeach.gov>; Isabel Arvea <Isabel.Arvea@longbeach.gov>; Jack Cunningham <Jack.Cunningham@longbeach.gov>; Summer Smith <Summer.Smith@longbeach.gov>; Barbara Moore <Barbara.Moore@longbeach.gov>; Karla Estupinian <Karla.Estupinian@longbeach.gov>; Jonathan Kraus <Jonathan.Kraus@longbeach.gov>; Ray Morquecho <Ray.Morquecho@longbeach.gov>; Matthew Hamlett <Matthew.Hamlett@longbeach.gov>; JHarris-LBChamber <jharris@lbchamber.com>

Subject: LBACC Letter for City Council Agenda Item 1 - Placement of General Tax Measure on Ballot

-EXTERNAL-

Dear Mayor and City Council,

On behalf of the Long Beach Area Chamber of Commerce, please see the attached letter regarding the placement of a general tax measure on the ballot.

We urge you not to move forward with this proposal without fully analyzing the implications of increased taxes on local production and the resulting impact on local workers and jobs.

Please confirm receipt of this email and letter.

Kind Regards,

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Christine M. Bos
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Long Beach, CA 90831-1650
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July 29, 2020

Mayor Dr. Robert Garcia
Members of City Council
Long Beach City
411 W Ocean Blvd
Long Beach, CA 90802

Subject: Modifications to the City of Long Beach Oil Barrel Production Tax – OPPOSE

Dear Mayor Garcia and Councilmembers,

I write to you on behalf of the Long Beach Area Chamber of Commerce, our 773 members, representatives, and community stakeholders regarding the potential increase in the oil barrel production tax through a measure on the November 2020 ballot as discussed at the July 7, 2020 city council meeting.

We urge you not to move forward with this proposal without fully analyzing the implications of increased taxes on local production and the resulting impact on local workers and jobs. A tax increase on oil production in the City of Long Beach will put the city at a further competitive disadvantage relative to oil production elsewhere in the region, state, and world – further discouraging oil industry investment and job growth opportunities. Remaining competitive by keeping the current tax rate will allow for current and future energy employment and production in this sector of the economy and should be the utmost priority at this time.

Furthermore, recent unemployment statistics are an additional reason for concern in this regard; due to the COVID-19 pandemic, nearly 1 in 5 workers in Los Angeles County are out of work. Unemployment data in the City of Long Beach is expected to reflect a 25% unemployment rate for May, and the recent dimming of business operations suggest these numbers will remain stubbornly high for the foreseeable future. At a time like this, every job is a precious resource in the community and for our local economy.

Oil and gas production in the City of Long Beach directly supports approximately 2,000 jobs, providing opportunities for workers across the entire educational spectrum. These jobs provide head-of-household wages with benefits and opportunities for upward mobility for residents without the need for extended education. Oil industry workers include grandparents, single parents, first generation bilingual citizens, second chancers, and veterans. Nearly 50% of these workers are ethnically diverse, and many come from the very communities of color identified in the city's "Framework for Reconciliation." In addition, Long Beach is home to California's only 100% union operated field.

Please consider the potential unintended consequences of this proposed tax increase on people working in this local industry. Additionally, it would be prudent to have the legal analysis that the California State Lands Commission suggested in their July 7, 2020 letter. We urge you to prioritize the people who work in these fields by urging you to not place this proposed tax increase measure on the November 2020 ballot.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeremy Harris".

Jeremy Harris
President/CEO
Long Beach Area Chamber of Commerce